



**Austin City Council  
MINUTES**

**BUDGET MEETING  
MONDAY, SEPTEMBER 8, 2003**

The following represents the actions taken by the Austin City Council in the order they occurred during the meeting.

The City Council of Austin, Texas, convened in a regular meeting on Monday, September 8, 2003, in the One Texas Center, 505 Barton Springs Road, 3<sup>rd</sup> Floor Training Room, Austin, Texas.

Mayor Wynn called the Council Meeting to order at 10:01 a.m.

**Budget-Fiscal Year 2003-2004**

1. Approve an ordinance adopting the Operating Budget for Fiscal Year 2003-2004 beginning on October 1, 2003 and ending on September 30, 2004.  
The first reading of the ordinance adopting the Operating Budget, including the following errata, was approved on Council Member Slusher's motion, Council Member Dunkerley's second on a 7-0 vote.

The amendment to increase appropriations for the Transportation, Planning and Sustainability Department in the amount of \$228,229 and the transfer in of 4.0 FTE's from Public Works - Capital Projects Management Fund for the consolidation of Work Zone Safety was approved on Council Member Thomas' motion, Council Member Wynn's second on a 7-0 vote.

The amendment to reduce transfers out to Public Works - Capital Projects Management Fund - in the amount of \$228,229 was approved on Council Member Thomas' motion, Council Member Wynn's second on a 7-0 vote.

The amendment to reduce the number of Civil Service FTE's in the Police Department, with no reduction in funding associated with this action, was approved on Council Member Alvarez' motion, Council Member Thomas' second on a 7-0 vote.

The amendment to eliminate the 2% premium pay in the Proposed Budget for Fire Civil Service and reduce appropriations for the department in the amount of \$1,490,642 was approved on Mayor Pro Tem Goodman's motion, Council Member Alvarez' second on a 7-0 vote.

The amendment to retain the current service model in the Fire Department in the Proposed Budget and eliminate the Squad/Quint service model by increasing appropriations in the department by \$953,411 and increasing the number of FTE's by 11.0 was approved on Mayor Pro Tem Goodman's motion, Council Member Alvarez' second on a 4-2-1 vote.

Those voting aye were: Mayor Pro Tem Goodman and Council Members Alvarez, McCracken, and Thomas. Those voting nay were Mayor Wynn and Council Member Slusher. Council Member Dunkerley abstained.

The amendment to increase appropriations in the Health and Human Services budget for Social Service Contracts in the amount of \$537,231 was approved on Mayor Pro Tem Goodman's motion, Council Member Alvarez' second on a 4-2-1 vote. Those voting aye were: Mayor Pro Tem Goodman and Council Members Alvarez, McCracken, and Thomas. Those voting nay were: Mayor Wynn and Council Member Slusher. Council Member Dunkerley abstained.

The amendment to reclassify a 1.0 Animal Behaviorist FTE in the Health and Human Services Department to a Foster Rescue Coordinator was approved on Mayor Pro Tem Goodman, Council Member Thomas' second on a 4-3 vote. Those voting aye: Mayor Pro Tem Goodman and Council Members Alvarez, McCracken and Thomas. Those voting nay were Mayor Wynn and Council Members Dunkerley and Slusher. The impact to the General Fund is zero.

The amendment to increase appropriations in the Municipal Court budget in the amount of \$99,132 and increase budgeted revenue by identifying additional savings or increasing revenue in the department in the same amount and to restore 1.0 Administration and Finance Manager FTEs was approved on Mayor Pro Tem Goodman's motion, Council Member Thomas' second on a 7-0 vote.

The following amendments were approved on Mayor Pro Tem Goodman's motion, Council Member Alvarez' second on a 7-0 vote.

- to alter the fund expenditures, authorized positions and transfers to reflect amendments approved to the General Fund.
- to increase Aviation Fund transfers out for Airport Revenue Bond Debt Service in the amount of \$300,000 for a total amount of \$20,338,348 and reduce contributions to the Airport Capital Fund by \$300,000 for a total amount of \$7,409,309
- to increase Airport Revenue Bond Redemption Fund transfers in from the Aviation Fund in the amount of \$300,000 for a total of \$20,338,348 and reduce passenger facility charge revenue in the amount of \$300,000 for a total of \$9,200,000. Net change to fund is zero.
- to reduce transfers to the Airport Capital Fund from the Aviation Fund in the amount of \$300,000 for a total amount of \$7,409,309. Revised ending balance is \$24,010,990.
- to reduce proposed appropriations in the Cultural Arts Fund in the amount of \$7,849, for a total appropriation of \$3,081,923. This new amount represents the recommendations of the Arts Commission.

The amendment to change the proposed budget of the Small, Minority and Business Resources by reallocating \$39,900 to Technical Service Providers was approved on Council Member Alvarez' motion, Council Member Thomas' second on a 5-2 vote. Those voting aye: Mayor Pro Tem Goodman and Council Members Alvarez, Dunkerley, McCracken and Thomas. Those voting nay were: Mayor Wynn and Council Member Slusher. This funding is available from the proposed funding for Texas Center for Women's Business Enterprise, which no longer requires funding. An additional \$50,355 is available through existing CDBG funding for Technical Service Providers. The Proposed Budget included a

decrease of 20% for all providers. This action results in the net reduction of 10%. The impact to the Support Services Fund is zero.

The amendment to reduce the appropriations of the Mayor's Office in the amount to \$41,237 and eliminate 1.0 FTE and increase the ending balance of the Support Services Fund by the same amount for a new ending balance of \$2,482,034 was approved on Mayor Wynn's motion, Mayor Pro Tem Goodman's second on a 7-0 vote.

The amendment to increase appropriations in the Cultural Arts Fund in the amount of \$150,000 and reduce the ending balance and reserve requirements by the same amount for operations of the Austin Music Network was approved on Mayor Pro Tem Goodman's motion, Council Member Alvarez' second on a 5-2 vote. Those voting aye were: Mayor Pro Tem Goodman and Council Members Alvarez, Dunkerley, Slusher and Thomas. Those voting nay were: Mayor Wynn and Council Member McCracken.

The amendment to allocate \$1,000,000 funding for the Holly Mitigation Good Neighbor Program, included in the Austin Energy proposed budget in the following manner was approved on Council Member Alvarez' motion, Council Member Thomas' second on a 6-1 vote. Those voting aye were: Mayor Pro Tem Goodman and Council Members Alvarez, Dunkerley, McCracken, Slusher and Thomas. Those voting nay were: Mayor Wynn.

- \$300,000 to be transferred to the newly formed fund named "MACC/Terrazas O&M" for the operations and maintenance costs of the Mexican American Cultural Center and the Terrazas Branch Library. This allocation is the first in the series of four annual transfers of \$300,000.
- \$700,000 to other Good Neighbor Programs.

The amendment to cut \$3,882 out of the non-FTE personnel cost in each of the Council Member's budget, for a total of \$20,294, was approved on Council Member Slusher's motion, Council Member Thomas' second on a 6-1 vote. Mayor Wynn abstained since this was Council's budget.

Mayor Wynn recessed the Council Meeting at 1:35 p.m. for lunch

Mayor Wynn reconvened the Council Meeting at 2:23 p.m.

The motion to increase the special revenue funds for the following grant money that was awarded to the city after the submittal of the proposed budget was approved on Council Member Alvarez' motion, Council Member Dunkerley's second on a 5-0 vote. Council Members Slusher and Thomas were off the dais.

- for the Fleet Services Department by creating the Clean Cities Decal Program and accepting a grant in the amount of \$25,000.
- for the Health and Human Services Department by increasing \$10,000 for the HIV Prevention Counseling and Partner Elicitation grant for a total grant amount of \$658,512.
- for the Health and Human Services Department by increasing \$185,000 for the HIV Health and Social Services grant for a total grant amount of \$535,000.

2. Approve an ordinance adopting the Capital Budget for Fiscal Year 2003-2004 beginning on October 1, 2003 and ending on September 30, 2004. (Approved by the Planning Commission on

August 13, 2003. Approved by the Bond Oversight Committee on July 9, 2003.)

Ordinance No. 030908-02 adopting and approving the Capital Budget for the fiscal year beginning October 1, 2003 and terminating September 30, 2004 and making appropriations for each department, project, and account, including the errata was approved on Council Member Alvarez' motion, Council Member Dunkerley's second on a 7-0 vote.

The amendment to reallocate \$73,000 from the Terrazas Branch Library CIP construction project to a new project named "MACC Capital Outlay" was approved on Council Member Alvarez' motion, Council Member Thomas' second on a 6-1 vote. Those voting aye were: Mayor Pro Tem Goodman, and Council Members Alvarez, Dunkerley, McCracken, Slusher and Thomas. Those voting nay were: Mayor Wynn. This project will provide funding for the one time capital outlay costs associated with the MACC.

3. Approve an ordinance fixing and levying Municipal Ad Valorem taxes for the City of Austin, Texas, for Fiscal Year 2003-2004.

The motion to approve first reading of an ordinance fixing and levying municipal Ad Valorem taxes at a rate of \$.4928 per \$100 valuation for the City of Austin, Texas for the fiscal year 2003-04 and for each year thereafter until otherwise provided; directing the assessment and collection of those taxes; approving property tax exemptions for agriculture, historic property, persons with disabilities, and elderly persons; and validating all prior Ad Valorem taxes was approved on Council Member Slusher's motion, Council Member Dunkerley's motion on a 7-0 vote.

4. Approve an ordinance authorizing fees, fines, and other charges to be charged by City departments.

Ordinance No. 030908-04 authorizing fees, fines and other charges to be charged by various City departments and amending the City Code, including the errata was approved on Council Member Alvarez' motion, Council Member Dunkerley's second on a 7-0 vote.

The following amendments were approved on Mayor Pro Tem Goodman's motion, Council Member Dunkerley's second on a 7-0 vote.

- include a fee for interest rates for late payment of Motor Vehicle Tax payments as authorized by Section 5-10 of the Code of the City of Austin in the amount of 10% per annum. This is to be paid by rental car vendors who are not located at the airport and is late if it is one month past the end of the quarter.
- Amend the Proposed Fee Schedule to correct the green fees for the Parks and Recreation Department Golf Courses. There is no revenue impact for this action, as proposed revenue projections include this change. This change in fees has been reviewed and approved by the Golf Advisory Board. Changes are: For Jimmy Clay, Morris Williams and Lions Municipal Courses green fees: regular round for weekends and holidays change from \$16.50 to \$18.00. For Bergstrom Course green fees: regular round for weekends and holidays change from \$15.00 to \$16.00 and regular round for weekdays change from \$10.00 to \$12.00.

5. Adopt an ordinance to establish classifications and positions in the classified service of the Austin Fire Department and repeal Ordinance No. 020910-05. The ordinance also establishes base salary and longevity by the attached pay scales. (Funding is included in the Fire Department Fiscal Year 2003-2004 Operating Budget.)

The first reading of an ordinance adopting the classifications and number of positions in each classification in the classified Civil Service of the Fire Department with the following

**amendment was approved on Council Member Thomas' motion, Council Member Alvarez' second on a 7-0 vote.**

**The amendment to increase the number of Fire Civil Service FTE's by 11.0 firefighters was approved on Mayor Pro Tem Goodman's motion, Council Member Alvarez' second on a 7-0 vote.**

6. **Approve an ordinance to establish classifications and number of positions in the classified service of the Police Department and repealing Ordinance No. 030605-35. (Funding in the amount of \$630,844 is included in the Approved Fiscal Year 2003-2004 Operating Budget for the Police Department.)**

**The first reading of an ordinance providing for the classifications and number of positions in each classification in the classified Civil Service of the Police Department with the following amendment was approved on Council Member Thomas' motion, Council Member Alvarez' second on a 7-0 vote.**

**The amendment to decrease the number of Police Civil Service FTE's by 47.0 police officers was approved on Mayor Pro Tem Goodman's motion, Council Member Alvarez' second on a 7-0 vote.**

7. **Approve a resolution for the 2003-2004 Contracts for Cultural Arts Services. (Funding in the amount of \$3,081,923.00 is available in the 2003-2004 proposed budget for the Cultural Arts Fund for cultural arts contracts which also maintains the required 10% reserve of \$319,381.00.) (Austin Arts Commission made final recommendation on July 21, 2003, in the amount of \$3,081,923.00 leaving a balance of \$7,649.00. (See attachment A-AAC Worksheet).)**  
**Resolution No. 030908-7 adopting the fiscal year 2003-04 Cultural Arts Service Contracts was approved with the following amendment on Council Member Alvarez' motion, Council Member Dunkerley's second on a 7-0 vote.**

**The amendment to increase appropriations for the Cultural Arts Service Contracts in an amount of \$150,000 for a total amount of \$3,231,923 and reducing the ending balance by \$150,000 was approved on Mayor Pro Tem Goodman's motion, Council Member Alvarez' second on a 6-1 vote. Those voting aye were: Mayor Wynn, Mayor Pro Tem Goodman, and Council Members Alvarez, Dunkerley, Slusher and Thomas. Those voting nay were: Council Member McCracken.**

8. **Approve the Austin Convention and Visitors Bureau (ACVB) Marketing Plan, the proposed budget in the amount of \$5,700,330 and set the contract payment from the City of Austin at \$4,539,359 for the Fiscal Year 2003-2004 and file the approved documents with the City Clerk's office as required by the Texas Tax Code. (Funding in the amount of \$4,539,359 is available in the Fiscal Year 2003-2004 proposed operating budget for the Tourism and Promotion Fund. The 2003-2004 Tourism and Promotion Fund is attached.)**  
**Resolution No 030908-8 adopting the Austin Convention and Visitors Bureau Marketing Plan was approved on Council Member Thomas' motion, Mayor Pro Tem Goodman's second on a 7-0 vote.**

9. **Declare official intent to reimburse acquisition and construction costs in an aggregate maximum principal amount equal to approximately \$67,000,000 to be paid out of the following electric utility CIP funds: 3230, 3240, 3250, 3260.**  
**Resolution No. 030908-09 was approved on Council Member Dunkerley's motion, Council**

**Member Slusher's second on a 7-0 vote.**

10. **Declare official intent to reimburse the following: \$28,309,000 in expenditures associated with the November 1998 General Obligation bond election (\$23,059,000 for 1998 Proposition One and \$5,250,000 for 1998 Proposition Two); \$15,000,000 in expenditures associated with the November 2000 General Obligation bond election (\$15,000,000 for 2000 Proposition One); \$2,000,000 in expenditures associated with Contractual Obligations (\$2,000,000 for Solid Waste Services Equipment) (\$43,309,000 in General Obligation Public Improvement Bonds to be issued in August 2004 or later; \$2,000,000 in non-tax-supported General Obligation Certificates of Obligation to be issued in August 2004 or later.)**  
**Resolution No. 030908-10 was approved on Council Member Dunkerley's motion, Council Member Alvarez' second on a 7-0 vote.**
11. **Declare official intent to reimburse acquisition and construction costs in an aggregate maximum principal amount equal to approximately \$135,000,000 to be paid out of the following funds: Water CIP Funds; 3750, 3760, 3780, 3790, 3810, 3820, 3830, 3840, 3850, 3860, 3880, 3890, 3900, 3910, 3950, 3960, 3970, 3980, 4200, 4220. Wastewater CIP Funds; 4300, 4310, 4320, 4330, 4340, 4350, 4360, 4380, 4390, 4400, 4410, 4430, 4440, 4530, 4540, 4550, 4560, 4570.**  
**Resolution No. 030908-11 was approved on Council Member Alvarez' motion, Council Member Thomas' second on a 7-0 vote.**
12. **Authorize negotiation and execution of a 12-month service agreement with AMIL INTERNATIONAL, Austin, TX for a Health Maintenance Organization health plan for City employees and retirees in an amount not to exceed \$37,193,000, with two 12-month extension options in an amount not to exceed \$43,516,000 for the first extension option and \$51,349,000 for the second extension option, for a total agreement amount not to exceed \$132,058,000. (Funding in the amount of \$27,894,750 is included in the 2003-2004 Proposed Operating Budget for the Employee Benefits Fund of the Human Resources Department. Funding for the remaining 3 months of the original contract period and extension options is contingent upon available funding in future budgets. This contract will be funded by City, employee and retiree contributions.) Low bid of three proposals received. This contract will be awarded in compliance with the 1996 MBE/WBE Ordinance, as amended. No subcontracting opportunities were identified; therefore, no goals were established for this solicitation. (Related Items 13, 14)**  
**The motion authorizing negotiation and execution of a 12-month service agreement was approved on Council Member Thomas' motion, Council Member Alvarez' second on a 7-0 vote.**

13. Authorize negotiation and execution of two contracts with UNITED HEALTHCARE OF TEXAS, INC., PLANO, TX: as follows: a 12-month service agreement for network access and claims administration of a Self-Insured Preferred Provider Organization for City employees and retirees in an amount not to exceed \$3,332,000, with two 12-month extension options in an amount not to exceed \$3,598,000 for the first extension option and \$3,814,000 for the second extension option, for a total contract amount not to exceed \$10,744,000; and a 12-month contract for stop-loss insurance for the Self-Insured Preferred Provider Organization in an amount not to exceed \$430,000, with two 12-month extension options in an amount not to exceed \$690,000 for the first extension option and \$1,033,000 for the second extension option, for a total contract amount not to exceed \$2,153,000. (Funding in the amount of \$2,821,500 is included in the 2003-2004 Proposed Operating Budget for the Employee Benefits Fund of the Human Resources Department. Funding for the remaining three months of the original contract periods and extension options is contingent upon available funding in future budgets. These contracts will be funded by City, employee and retiree contributions.) Best Proposal of seven proposals received. The contracts will be awarded in compliance with the 1996 MBE/WBE Ordinance, as amended. No subcontracting opportunities were identified; therefore, no goals were established for this solicitation. (Related Items 12, 14)  
**The motion authorizing negotiation and execution of two contracts was approved on Council Member Dunkerley's motion, Council Member Slusher's second on a 7-0 vote.**
14. Authorize negotiation and execution of a 12-month service agreement with ERISA ADMINISTRATIVE SERVICES, INC., (100% MBE-MA) Austin, TX for administration services for the City of Austin Dental Assistance Plan, Flexible Spending Accounts, and COBRA in an amount not to exceed \$705,000, with two 12-month extension options in an amount not to exceed \$705,000, for a total agreement amount not to exceed \$2,115,000. (Funding in the amount of \$528,750 is included in the 2003-2004 Proposed Operating Budget of the Employee Benefits Fund of the Human Resources Department. Funding for the remaining three months of the original contract period and extension options is contingent upon available funding in future budgets. This contract will be funded by City, employee and retiree contributions.) Best proposal of eight proposals received. This contract will be awarded in compliance with the 1996 MBE/WBE Ordinance, as amended. No subcontracting opportunities were identified; therefore, no goals were established for this solicitation. (Related Items 12, 13)  
**The motion authorizing negotiation and execution of a service agreement was approved on Council Member Alvarez' motion, Mayor Wynn's second on a 7-0 vote.**

**The motion to adjourn the meeting at 3:03 p.m. was approved on Council Member Slusher's motion, Mayor Wynn's second on a 7-0 vote.**

**The Board of Director's Meeting of the Austin Housing Finance was held following the Council meeting. See separate minutes.**

**The minutes for the meeting of September 8, 2003 were approved on this the 25th day of September 2003 on Mayor Pro Tem Goodman's motion, Mayor Wynn's second on a 7-0 vote.**